

**REMARKS**

Please note the fact that February 4, 2006, fell on a Saturday ensures that this paper is timely filed as of today, Monday, February 6, 2006 (the next succeeding day which is not a Saturday or Sunday).

Applicants and the undersigned are most grateful for the time and effort accorded the instant application by the Examiner. The Office is respectfully requested to reconsider the rejection present in the outstanding Office Action in light of the following remarks.

Claims 1-22 were pending in the instant application at the time of the outstanding Office Action. Of these claims, Claims 1 and 20 are independent claims; the remaining claims are dependent claims. Claims 1 and 20 have rewritten, and claims 21 and 22 have been cancelled. Applicants intend no change in the scope of the claims by the changes made by these amendments. It should also be noted these amendments are not in acquiescence of the Office's position on allowability of the claims, but merely to expedite prosecution.

Claims 1-22 stand rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 5,918,014 to Robinson, by PCT Application WO 97/41673 to Gerace et al. (hereinafter "Gerace"), and by U.S. Patent No. 6,338,066 to Martin et al. (hereinafter "Martin"). Reconsideration and withdrawal of these rejections is respectfully requested.

The present invention broadly contemplates enabling Internet businesses to conduct real-time, online experiments in a continuous or discrete fashion on a sample of

transactions and determine marketplace sensitivities. (Page 7, lines 3-5) Real-time analysis of the results of the experiments reveal optimal values of key market decision variables, such as price, content of banner ads, promotion levels, quantity discount schemes, etc. (Page 6, lines 5-7) The dynamic experimentation used by the inventive system reveals the relative stability (or instability) of the networked market within which the business operates. The translation of an optimal value for a key variable (for example, price) to the entire market can be done on a real-time basis. (Page 6, lines 18-21) In essence, the present invention can immediately analyze real-time shifts in public opinion or individual interest to present appropriate promotional responses on a user-by-user, community-based, wide-ranging, or across-the-board level.

As best understood, Robinson appears to be directed to displaying advertising to users of the World Wide Web based upon what "community" they are in. See Col. 2, lines 23-26 ("If the members of a particular consumer's community tend to click on a particular Web ad, then there is a certain likelihood that the subject consumer will also tend to click on that ad.") Robinson utilizes a training period for promotions to certain groups or communities of users to determine the effectiveness of an ad for a group or an individual that has been marked as a certain "community". Robinson does NOT teach or suggest real-time analysis of key variables to present immediate and appropriate promotional responses. Specifically, Robinson does not teach or suggest the determination of an optimal advertisement involves real-time learning from the dynamic analyses of the configuration data.

As best understood, Gerace appears to be directed towards a system for providing advertisements over the Internet to users based on their preferences and online behavior. Gerace utilizes information obtained from a specific individual's User Interface Object to continually update content and views provided to the individual. There is no teaching or suggestion in Gerace of using information from a random sample of users to update promotional information offered to a user not among those sampled in real-time.

As best understood, Martin appears to be directed towards a web-based system for predicting surfer behavior. Martin utilizes the web logs of internet "surfers" to statistically predict what action the surfer may take next. This prediction is made using Singular Value Decomposition, which involves the decomposition of eigenvectors. The process of performing a Singular Value Decomposition on information gathered about the web surfers precludes Martin from anticipating the instant invention.

The instantly claimed invention requires specifically "(a) receiving configuration data from the Internet merchant; (b) randomly sampling visitors to the Internet website according to the configuration data continuously or at discrete intervals; (c) determining an optimal advertisement, **wherein the determination of the optimal advertisement involves real time learning from the dynamic analyses of the configuration data of step (b);** and (d) thereafter using the optimal advertisement determined in step (c)". (emphasis added) Similar language can be found in all of the independent claims of the instant application.

Applicants note the Office's discussion of Robinson highlights that not all of the elements of the present invention are found in Robinson, as can be seen by the omission

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of cited art against certain limitations of the independent claims. With respect to Gerace, Applicants submit that at a minimum Gerace does NOT teach or suggest **real-time** analysis of key variables to present immediate and appropriate promotional responses. Specifically, Gerace does not teach or suggest the determination of an optimal advertisement involves real-time learning from the dynamic analyses of the configuration data obtained from the random sampling of users visiting the Internet web site. Similarly, Applicants submit that, at a minimum, Martin does NOT teach or suggest **real-time** analysis of key variables to present immediate and appropriate promotional responses. Again, Martin does not teach or suggest the determination of an optimal advertisement involves real-time learning from the dynamic analyses of the configuration data.

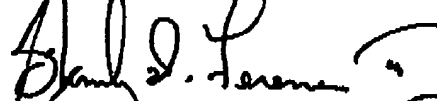
Accordingly, Applicants respectfully submit that not one of the applied references anticipates the present invention because, at the very least, “[a]nticipation requires the disclosure in a single prior art reference of each element of the claim under construction.” W.L. Fore & Associates, Inc. v. Garlock, 721 F.2d 1540, 1554 (Fed. Cir. 1983); see also In re Marshall, 198 U.S.P.Q. 344, 346 (C.C.P.A. 1978).

By virtue of dependence from what is believed to be allowable independent Claims 1 and 20, it is respectfully submitted that Claims 2-19 are also presently allowable.

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In summary, it is respectfully submitted that the instant application, including Claims 1-22, is presently in condition for allowance. Notice to the effect is hereby earnestly solicited. If there are any further issues in this application, the Examiner is invited to contact the undersigned at the telephone number listed below.

Respectfully submitted,



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